CITY OF MINNEAPOLIS NUISANCE CONDITION PROCESS REVIEW PANEL

In the matter of the Appeal of Director's Order To Demolish the Property Located at 2215 Chicago Avenue Minneapolis, Minnesota.

FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATION

This matter came on for hearing before the Nuisance Condition Process Review Panel on June 11, 2009, in City Council Chambers located in Minneapolis City Hall. Noah Schuchman, acting chair, presided and other board members present included Bryan Tyner and Pete Pelletier. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Wayne Murphy represented the Inspections Division at the hearing. Barry Tanner, listing agent for owner Wells Fargo Bank, was present. Based upon the Board's consideration of the entire record, the Board makes the following:

FINDINGS OF FACT

- 1. 2215 Chicago Avenue is a single family home in the Ventura Village neighborhood. The 1.2 story structure was built in 1900. The building is 971 square feet and sits on a 4,419 square foot lot.
- 2. The property located at 2215 Chicago Avenue has been determined to be substandard. A recent code compliance inspection resulted in orders including, but not limited to: replace roof, including decking, flashing and ventilation, replace chimney, repair/replace missing siding/stucco, repair cracks, tuck-pointing, buckling, settlement to foundation, replace rotten beams, repair/replace stairs, install missing water service and piping to code, replace water heater.

- 3. In 2008, the Minneapolis Police Department found the dwelling open to trespass on two occasions and ordered it boarded. In the same year, Department of Inspections staff found the dwelling open on two additional occasions and the garage open once. All three resulted in boarding by city-hired contractors.
- 4. The Assessor rates the overall building condition as average minus and uninhabitable.
- 5. The Inspections Division of the City of Minneapolis determined that the property at 2215 Chicago Avenue met the definition of a Nuisance under Minneapolis Code of Ordinances (hereinafter "M.C.O.") § 249.30. The applicable sections of M.C.O. § 249.30. provide that (a) A building within the city shall be deemed a nuisance condition if:
- (1) It is vacant and unoccupied for the purpose for which it was erected and for which purpose a certificate of occupancy may have been issued, and the building has remained substantially in such condition for a period of at least six (6) months.
- (2) The building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, or the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days.
- (3) Evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building.

- (4) Evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.
- 6. Pursuant to M.C.O. § 249.40(1) the building located at 2215 Chicago Avenue was examined by the Department of Inspections to ascertain whether the nuisance condition should be ordered for rehabilitation or demolition. Considering the criteria listed in M.C.O. § 249.40(1) the Inspections Department found:
 - a. The estimated cost to rehabilitate the building is \$71,830 to \$103,861 based on the MEANS square footage estimate. The assessed value of the property for 2008 was \$123,500. The 2009 assessed value of the property is \$71,100.
 - b. The Ventura Village Neighborhood Association and property owners within 350 feet of 2215 Chicago Avenue were mailed a request for a community impact statement. The Department of Inspections received three (3) in return. All responses stated that the property has had a negative impact on the neighborhood and should be demolished.
- 7. The building located at 2215 Chicago Avenue was condemned for being a boarded building on July 28, 2008, and has remained vacant and boarded since that time. The property was added to the City's Vacant Building Registration on September 2, 2008.
- 8. Dana Williams purchased the property located at. 2215 Chicago Avenue on March 30, 2006, and lost the property in foreclosure in 2008. In early 2009, Wells Fargo Bank gained title to the property after the foreclosure sale. Barry Tanner, the listing agent for the bank, ordered a Code Compliance Inspection which was conducted on February 4, 2009.

- 9. Taking into account the criteria listed in § 249.40(1) a notice of the Director's Order to Raze and Remove was mailed on March 20, 2009, to Reiter & Schiller, US Bank, N.A. c/o Wells Fargo Bank, N.A. and Barry Tanner of Edina Realty. On March 30, 2009, Barry Tanner filed an appeal on behalf of the owner stating "Code compliance was recently ordered and completed. Property is under contract with buyer who is ready and willing to rehabilitate property ASAP." The matter was then set for hearing on June 11, 2009.
- 10. No permits have been pulled to complete repairs at the property nor has any repair work commenced at the property. The owner's plan is to sell the property, as is, to someone who would then complete the necessary repairs at the property.

CONCLUSIONS

- 1. The building located at 2215 Chicago Avenue meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(1) as the building is vacant and unoccupied for the purpose for which it was erected and the building has remained in such a condition for a period of at least six months.
- 2. The building located at 2215 Chicago Avenue meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(2) as the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty days.
- 3. The building located at 2215 Chicago Avenue meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(3) as evidence, including but not limited to

neighborhood impact statements, clearly demonstrates that the values of neighborhood properties

have diminished as a result of deterioration of the subject building,

4. The building located at 2215 Chicago Avenue meets the definition of nuisance

condition as set forth in M.C.O. § 249.30(a)(4) as evidence clearly demonstrates that the cost of

rehabilitation is not justified when compared to the after rehabilitation resale value of the

building.

4. Pursuant to M.C.O. § 249.40 Abatement of nuisance condition, the Director of

Inspection's recommendation to raze the building located at 2215 Chicago Avenue is

appropriate. The building meets the definition of a nuisance condition as defined by M.C.O. §

249.30 and a preponderance of the evidence, based upon the criteria listed in M.C.O. § 249.40,

demonstrates that razing the building is appropriate. The building has been vacant and boarded

for approximately one year. This property has been neglected to the point that it has had a

negative impact on the community and will continue to have a negative impact if it is not

removed. Additionally, the owner has no current plans to rehabilitate the property and only

wishes to sell to a purchaser who will be responsible for the rehabilitation of the property.

RECOMMENDATION

That the Director of Inspections' Order to Raze the building located at 2215 Chicago

Avenue, Minneapolis, Minnesota, be upheld.

Noah Schuchman

Acting Chair,

Nuisance Condition Process Review Panel